

Dove

5.1

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sg ft.

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Hunter  
Thompson

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71,000

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Fly V

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110,000

Wasatch  
Motel

~~200 X 300~~

854

PIONEERS AND PROMINENT MEN OF UTAH—1852





# Dove's Happy Service has little to coo about as tax probe begins

By Michael Morris  
and Marianne Funk  
Deseret News staff writers

PROVO — There's not too much to smile about these days at Dove's Happy Service Markets.

The Utah County attorney's office has confirmed that an investigation is under way to determine whether \$5 million in sales taxes owed by the bankrupt grocery store chain is a result of criminal conduct.

"We are evaluating business records," County Attorney Steve Killpack said. "But at the present time, we are not prepared to indicate whether or not charges will be filed."

Killpack said representatives from the State Tax Commission met last month with criminal investigators from his office. The tax commission provided bankruptcy records and other documents related to allegations of unpaid or underpaid taxes by Dove's between 1983 and 1988.

Dove's Happy Service Markets — a chain of 10 Utah grocery stores owned by Deon Dove of Springville — has

accrued more than \$20 million in debt. The chain celebrated its 20th anniversary last month by going bankrupt. Dove filed for Chapter 11 reorganization two years ago but continued to run seven of his stores in an attempt to make enough money to pay off creditors.

The chain, however, was losing so much money that its remaining assets were being depleted. In January, Dove filed Chapter 7 bankruptcy, which is a liquidation procedure to pay off creditors.

Dove and his attorney, William T. Thurman of Salt Lake City, have refused repeated requests to comment on the criminal investigation.

"I think the total debt is between \$21 million and \$22 million at a minimum," said R. Kimball Mosier, court-appointed trustee for Dove's estate, who asked the U.S. Bankruptcy Court to change the Chapter 11 to a Chapter 7 liquidation.

Secured creditors have claims totaling \$16.4 million, according to court records. Assets will be divided among those creditors first, Mosier said, leaving little, if any, for the State Tax Commission.

Unsecured creditors won't get anything, Mosier said.



Empty parking lot and dilapidated sign at Dove's in Provo reflect the supermarket's problems. PHOTOGRAPHY/ RICK GLEASON